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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

IN RE UKG INC CYBERSECURITY
LITIGATION

THIS DOCUMENT RELATES TO:

All Actions.

Case No. 3:22-cv-00346-SI

**DECLARATION OF
SCOTT M. FENWICK OF KROLL
SETTLEMENT ADMINISTRATION
LLC IN CONECTION WITH
PRELIMINARY APPROVAL**

Judge: Hon. Susan Illston

I, Scott M. Fenwick, pursuant to 28 U.S.C. § 1746, hereby declare:

1. I am a Senior Director of Kroll Settlement Administration LLC (“Kroll”),¹ the proposed Settlement Administrator in the above-captioned case, whose principal office is located at 2000 Market Street, Suite 2700, Philadelphia, Pennsylvania 19103. I am over 21 years of age and am authorized to make this declaration on behalf of Kroll and myself. The following statements are based on my personal knowledge and information provided by other experienced Kroll employees working under my general supervision. This declaration is being filed in connection with preliminary approval of the Settlement Agreement (as defined below).

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Settlement Agreement (as defined below).

1 2. Kroll has extensive experience in class action matters, having provided services in
2 class action settlements involving antitrust, securities, labor and employment, consumer and
3 government enforcement matters. Kroll has provided class action services in over 3,000 settlements
4 varying in size and complexity over the past 50 years.

5 3. Kroll is prepared to provide a full complement of notification services in connection
6 with that certain Settlement Agreement and Release (the "Settlement Agreement") entered into in
7 connection with the above-captioned matter (the "Settlement"), including direct notice of the
8 Settlement to a certain subclass of the Settlement Class via USPS mail, a robust social media
9 campaign, and establishing a toll-free telephone number and a Settlement Website to be created in
10 connection with this matter. The social media campaign is addressed in a declaration of my colleague
11 Jeanne C. Finegan, which is being filed contemporaneously with this declaration.

12 **Notice by Mail**

13 4. Pursuant to paragraph 63(f) of the Settlement Agreement, Kroll will work with counsel
14 to obtain the names and last known physical mailing addresses for members of the Exfiltration
15 Subclass.

16 5. Kroll has worked with Class Counsel and Defendant's Counsel (collectively
17 "Counsel") to format the Direct Notice to the Exfiltration Subclass for mailing, as set forth in the
18 Settlement Agreement.

19 6. As required under 63(f) of the Settlement Agreement, Kroll will send the Direct Notice
20 by mail to the names and last known physical mailing addresses of Exfiltration Subclass members
21 provided.

22 7. Notices by mail will be sent by First-Class Mail to all physical addresses as noted
23 above. In preparation for the notice mailing, Kroll will send the Exfiltration Subclass member data
24 through the United States Postal Service's ("USPS") National Change of Address ("NCOA")
25 database. The NCOA process will provide updated addresses for Exfiltration Subclass Members who
26 have submitted a change of address with the USPS in the last 48 months, and the process will also
27 standardize the addresses for mailing. Kroll will then prepare a mail file of Exfiltration Subclass
28 members that are to receive the notice via First-Class Mail.

1 8. As is Kroll's typical practice, mailed Direct Notices returned by the USPS with a
2 forwarding address will be automatically re-mailed to the updated address provided by the USPS.
3 Similarly, mailed Direct Notices returned by the USPS undeliverable as addressed without a
4 forwarding address will be sent through an advanced address search process in an effort to find a
5 more current address for the record. If an updated address is obtained through the advanced search
6 process, Kroll will re-mail the notice to the updated address.

7 **Settlement Website**

8 9. Pursuant to paragraph 63(b) of the Settlement Agreement, Kroll will work with
9 Counsel to create a dedicated Settlement Website. The Settlement Website URL will be
10 www.KronosPrivateCloudSettlement.com. The Settlement Website will contain a summary of the
11 Settlement, will enable online Claim Form filing, will allow Settlement Class Members to contact the
12 Settlement Administrator with any questions or changes of address, provide notice of important dates,
13 such as the Final Approval Hearing, Claims Deadline, Objection/Exclusion Deadline, and provide
14 Settlement Class Members who file Claim Forms online the opportunity to select an electronic
15 payment method, including Venmo, Zelle, PayPal, e-Mastercard, ACH, or payment by check. The
16 Settlement Website will also contain relevant case documents including Plaintiffs' Consolidated
17 Amended Complaint, the Settlement Agreement, the Notice, Plaintiffs' Motion for Preliminary
18 Approval, and the Preliminary Approval Order, and will be updated with the Plaintiffs' Motion for
19 Attorneys' Fees, Costs and Service Awards and Motion for Final Approval once they are file with the
20 Court. Lastly, the Settlement Website will contain Kroll's privacy policy, including its policy for
21 compliance with the California Consumer Privacy Act and the California Privacy Rights Act.

22 **Toll-Free Number**

23 10. Pursuant to paragraph 63(c) of the Settlement Agreement, Kroll will establish a toll-
24 free number for the Settlement, which will allow Settlement Class Members to call and obtain
25 information about the Settlement through an interactive voice response system. The toll-free number
26 will be available twenty-four hours a day, seven days a week.

27 **CAFA Notice**

28 11. Pursuant to paragraph 63(g) of the Settlement Agreement, and pursuant to 28 U.S.C.
§ 1715, not later than ten (10) days after the filing of the Settlement Agreement with the Court, Kroll

1 will cause to be served upon the Attorney General of the United States and any other required
2 government official notice of the proposed settlement as required by law. Kroll will, at the direct of
3 Class Counsel, file a declaration of compliance with CAFA notice shortly after completion.

4 **Administration Fees and Costs**

5 12. Kroll will be responsible for the administration of the Settlement which includes,
6 creation and maintenance of Settlement Website; creation and maintenance of a toll-free number;
7 providing Direct Notice to the Exfiltration Subclass, creation and implementation of a social media
8 campaign, and day-to-day administration of the Settlement, including responding to Settlement Class
9 Member inquiries; delivery to the Parties of any requests for opt-outs or objections; communications
10 to the Parties about any issues that may arise; and the preparation of an Affidavit of Fairness of the
11 Notice Program to be submitted to the Court with the Motion for Final Approval.

12 13. Kroll will maintain reasonably detailed records of its activities under this Settlement
13 Agreement and such records will be made available to Class Counsel and Defendant's Counsel upon
14 request. Kroll will provide reports and other information to the Court as the Court may require. Kroll
15 will provide weekly reports to Class Counsel and Defendant's Counsel with information concerning
16 the Notice, the number of Claim Forms submitted, the number of Approved Claims, any requests for
17 exclusion, and the administration and implementation of the Settlement. Kroll make available for
18 inspection by Defendant's Counsel all of the Approved Claim Forms received. Kroll will confirm
19 whether an individual submitted an Approved Claim Form upon request by Class Counsel or
20 Defendant's Counsel. Kroll will make available for inspection by Class Counsel and Defendant's
21 Counsel the Claim Forms for denied Claimants. For any disputed Claim Kroll shall advise the Parties
22 of any such disputes and provide enough information to the Parties so they can provide their position
23 on the dispute, if they so choose.

24 14. Kroll will also be responsible for processing Claim Forms and issuing payment to the
25 Settlement Class Members as provided for in paragraphs 65 and 66 of the Settlement Agreement.

26 15. Kroll, at the direct of Class Counsel, will also submit to the Court a declaration
27 summarizing the work performed, including a post-distribution accounting of all amounts from the
28 Settlement Fund paid to Settlement Class Members, the number and value of checks not cashed, the

1 number and value of electronic payments unprocessed, and the amount distributed to any *cy pres*
2 recipient.

3 **16.** The Settlement Administration Expenses for administration of the Settlement will not
4 exceed \$1,200,000, based on a cap negotiated by Class Counsel. To that end, Kroll will submit a
5 final bill at the time of Final Approval for reporting and approval by the Court, such amount may be
6 less than \$1,200,000, but in no event shall exceed \$1,200,000, unless otherwise agreed to by the
7 Parties.

8 **Kroll Data Protection Checklist for Northern District of California**

9 17. Kroll agrees to abide by the Data Protection Checklist for the Northern District of
10 California. Further, pursuant to the Settlement Administration Data Protection Checklist for the
11 Northern District of California and in compliance thereof, Kroll provides the below information.

12 **Data Use Limitation**

13 18. Kroll will solely use Settlement Class Member data for notice and Settlement
14 administration, award calculations, and issuing Settlement payments to approved Claimants.

15 **Technical Controls, Data Security**

16 19. Kroll is an industry leader in data security. Kroll is CCPA, HIPAA, and GDPR
17 compliant and maintains numerous industry certifications related to data security, including SOC2
18 and ISO 2700 certification. Kroll has technical, physical, and procedural protocols and safeguards in
19 place to ensure the security and privacy of Settlement Class Member data. These include standards
20 related to data retention and document destruction; fully redundant environmental systems and
21 redundant storage; regular audits; and documented plans for both incident and crisis response,
22 including breach protocols and physical controls. Kroll's information security program includes
23 vulnerability management, compliance, security monitoring and security engineering supported by a
24 team of information security professionals, including a Chief Information Security Officer and Chief
25 Privacy Officer.

26 **Business/Liability Insurance**

27 20. Kroll maintains standard business insurance, including professional liability
28 insurance, cyber insurance, and crime insurance.

Administrative and Ethical policies

21. Kroll has employee administrative and ethical policies that all employees are required to follow. These include, but are not limited to:

- Pre-hire background checks;
- Controls for accessing systems, data and applications, along with processes for assigning access;
- Annual Code of Ethics training and certification;
- Annual Information Security training and certification; and
- HIPAA training for all staff.

Crisis and Risk Management

22. Kroll has defined and tested incident response and disaster recovery plans that it employs across the organization. Should an incident occur, Kroll will take immediate action, which will include notification to clients and Claimants of the incident consistent with privacy laws and regulations or as otherwise provided in any contractual agreements with its clients. Kroll also has detailed vendor on-boarding and management policies.

Physical Access Controls

23. Security keycard access is required to enter Kroll's facilities. Additionally, keycard access is required for employees to use the facility elevators and to enter Kroll's office spaces.

Data Collection, Retention and Destruction

24. Kroll only requires the collection of data necessary to effectively administer the Settlement. If personally identifiable information ("PII") (e.g., Social Security Numbers, account information, dates of birth, etc.) are not necessary for administration, Kroll will not request such PII. Kroll does not and will not share Settlement Class Member data with third parties unless authorized or directed to do so by Counsel or the Court. Internally, access to data is limited to only those employees working on the particular matter. In addition, Kroll has standard practices for data retention and destruction. However, to the extent there are data retention and destruction requirements specific to the Settlement that differ from Kroll's standard policies, Kroll will follow the Settlement guidelines.

1 I declare under penalty of perjury under the laws of the United States that the above is true and
2 correct to the best of my knowledge and that this declaration was executed on April 28, 2023, in
3 Woodbury, Minnesota.

4 
5 SCOTT M. FENWICK